

**PLYMOUTH COUNTY, IOWA  
Independent Auditors' Report  
Financial Statements  
And  
Supplemental Information  
Schedule of Findings and Questioned Costs  
June 30, 2009**

# PLYMOUTH COUNTY, IOWA

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# PLYMOUTH COUNTY, IOWA

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**PLYMOUTH COUNTY, IOWA**

**COUNTY OFFICIALS**

<b>Name</b>	<b>Title</b>	<b>Term Expires</b>
Mark Loutsch	Board of Supervisors	December 31, 2012
Jim Henrich	Board of Supervisors	December 31, 2012
C. Gordon Greene	Board of Supervisors	December 31, 2010
Don Kass	Board of Supervisors	December 31, 2010
Craig Anderson	Board of Supervisors	December 31, 2010
Stacey Feldman	County Auditor	December 31, 2012
Linda Dobson	County Treasurer	December 31, 2010
Jolynn Goodchild	County Recorder	December 31, 2010
Mike Van Otterloo	County Sheriff	December 31, 2012
Darin J. Raymond	County Attorney	December 31, 2010
Robert Heyderhoff	County Assessor	December 31, 2015



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Phone (712) 546-7801  
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## INDEPENDENT AUDITORS' REPORT

Board of Supervisors  
Plymouth County, Iowa

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of PLYMOUTH COUNTY, IOWA (the County) as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the County. Our responsibility is to express opinions on the financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Plymouth County, Iowa, as of June 30, 2009, and the change in financial position for the year then ended, in conformity with U.S. generally accepted accounting principles.

The management's discussion and analysis, budgetary comparison information, and schedule of funding progress for the retiree health plan on pages 6 through 13 and 39 through 42, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated February 22, 2010 on our consideration of Plymouth County, Iowa's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the three years ended June 30, 2008 (which are not presented herein) and expressed unqualified opinions on those financial statements. We also previously audited in

accordance with the standards referred to in the second paragraph of this report, the financial statements for the three years ended June 30, 2005 (which are not presented herein) and expressed adverse opinions on those financial statements due to the effects of the omission of general fixed assets.

The accompanying combining non-major fund financial statements, and the Schedule of Expenditures of Federal Awards which is presented for the purpose of additional analysis and is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Williams & Company, P.C.*  
Certified Public Accountants

Le Mars, Iowa  
February 22, 2010

# **PLYMOUTH COUNTY**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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PLYMOUTH COUNTY PROVIDES THIS MANAGEMENT'S DISCUSSION AND ANALYSIS OF ITS FINANCIAL STATEMENTS. THIS NARRATIVE OVERVIEW AND ANALYSIS OF THE ACCRUAL ACCOUNTING AND FINANCIAL ACTIVITIES IS FOR THE FISCAL YEAR ENDING JUNE 30, 2009. WE ENCOURAGE READERS TO CONSIDER THIS INFORMATION IN CONJUNCTION WITH THE COUNTY'S FINANCIAL STATEMENTS, WHICH FOLLOW.

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### **2009 FINANCIAL HIGHLIGHTS**

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- The assets of the County exceeded its liabilities at the end of FY09 by \$42,159,012 (net assets).
- Plymouth County's FY09 total net assets decreased by \$3,229 from FY08.
- At the end of FY09, Plymouth County governmental funds reported combined ending fund balances of \$4,864,553, a \$145,109 decrease from the prior year. Approximately 47% of this total amount, \$2,296,261 is available for spending at the County's discretion (unreserved fund balance).
- At the end of FY2009, unreserved fund balance for the general fund was \$1,069,236 or 18.4% of total general fund expenditures.
- The County's total debt decreased by \$650,000. The decrease was a result of the normal scheduled principal payments on the outstanding debt.

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## USING THIS ANNUAL REPORT

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The annual report consists of a series of financial statements as well as other requirements as follows:

**Management's Discussion and Analysis** introduces the basic financial statements and provides an analytical overview of the government's financial activities.

The **Government-wide Financial Statements** consist of a statement of net assets and a statement of activities. These provide information about the activities of Plymouth County as a whole and present an overall view of the County's finances.

The **Fund Financial Statements** tell how governmental services were financed in the short-term as well as what remains for future spending. Fund financial statements report Plymouth County's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Plymouth County acts solely as an agent or custodian for the benefit of those outside of the government.

**Notes to the Financial Statements** provide more detailed data and explain some of the information in the financial statements.

**Required Supplementary Information** further explains and supports the financial statements with a comparison of the county's budget for the year, as well as presenting a schedule of funding progress for retiree health plan.

**Supplemental Information** provides detailed information about the non-major funds and the individual fiduciary funds.

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## REPORTING THE COUNTY AS A WHOLE

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### The Statement of Net Assets and the Statement of Activities

One of the most important questions asked about the County's finances is "Is the County as a whole better off or worse off as a result of the year's activities?" The statement of net assets and the statement of activities report information about activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting and the economic resources measurement focus. This is similar to the accounting used by most private sector companies. All of the current year's revenues and expenditures are taken into account regardless of when cash is received or paid.

The **statement of net assets** presents all of the County's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in the County's net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The **statement of activities** presents information showing how the County's net assets changed during the fiscal year. All changes in net assets are reported as soon as the event or change occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement for some items that will not result in cash flows until future fiscal periods.

The County's governmental activities are displayed in the statement of net assets and the statement of activities. Governmental activities include public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, government services to residents, administration, interest on long-term debt and capital projects. Property tax and state and federal grants finance most of these activities.

### **Fund Financial Statements**

The fund financial statements provide detailed information about individual funds, not the County as a whole. Some funds are required to be established by Iowa law or by bond covenants. The County can establish other funds to help it control and manage money for particular purposes.

Plymouth County has two types of funds:

- 1) Governmental funds account for most of the County's basic services. These focus on how money flows in and out of those funds. These balances left at year-end are available for spending. The county has 15 governmental funds. These main governmental funds include: 1) the General Fund, 2) the Special Revenue funds such as Mental Health Fund, Rural Services Fund, Secondary Roads Fund, Local Option Sales Tax Fund, Joint Urban Renewal Fund 3) the Debt Service Fund, and 4) the Capital Projects Fund. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed, short-term view of the County's general governmental operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

The governmental funds required financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balance.

A summary reconciliation between the government-wide financial statements and the governmental fund financial statements follows the governmental fund financial statements.

- 2) Fiduciary funds are used to report assets held in a trust or agency capacity for others and cannot be used to support the government's own programs. These fiduciary funds include agency funds that account for Emergency Management Services, the County Assessor, and the Emergency 911 as a few examples.

The fiduciary funds required financial statements include a statement of fiduciary assets and liabilities.

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## GOVERNMENT-WIDE FINANCIAL ANALYSIS

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As noted earlier, net assets may serve over time as a useful indicator of financial position. Plymouth County's total net assets for FY09 totaled \$42,159,012. The analysis that follows focuses on the components of net assets for the governmental activities.

### Net Assets of Governmental Activities

	2009	2008
Current and other assets	\$13,787,137	\$13,218,004
Capital assets	48,303,647	48,857,932
Total Assets	62,090,784	62,075,936
Long-term debt outstanding	11,147,962	11,844,109
Other liabilities	8,783,810	8,069,586
Total liabilities	19,931,772	19,913,695
Net assets:		
Invested in capital assets, net of related debt	44,868,647	45,082,932
Restricted	4,521,497	4,878,234
Unrestricted	(7,231,132)	(7,798,925)
Total net assets, restated	\$42,159,012	\$42,162,241

The largest portion of the County's net assets is invested in capital assets (e.g. land, infrastructure, buildings, and equipment), less the related debt. The debt related to capital assets is liquidated with resources other than capital assets. A portion of the County's net assets (10.7%) represents resources that are subject to external restrictions on how they may be used. Unfortunately, there is not a positive balance in unrestricted net assets, which is used to meet the County's ongoing obligations to citizens and creditors. There is a negative balance due to the \$7,840,000 general obligation bond issued in 2005, of which \$7,530,000 is outstanding at June 30, 2009. This was not issued for County assets; it was for a grant awarded to Le Mars Business Initiative Corporation to be used for economic development purposes.

Governmental Activities – Governmental activities decreased the County's net assets by \$3,229. Key elements of this decrease are as follows:

### Change in Net Assets of Governmental Activities

	2009	2008
Revenues:		
Program revenues:		
Charges for service and sales	\$ 1,356,358	\$ 1,596,226
Operating grants and contributions	6,228,607	6,321,211
Capital grants and contributions	816,888	3,908,535

General revenues:	2009	2008
Property tax	\$ 7,240,788	\$ 5,666,490
Interest & penalty on taxes	52,946	66,489
State tax credits	290,651	278,474
Local Option Sales Tax	1,072,834	1,016,813
General Intergovernmental revenues	38,411	89,771
Unrestricted Investment Earnings	121,029	193,477
Gain on Sale of Assets	1,825	-
Miscellaneous	196,039	198,539
Total Revenues	<u>\$ 17,416,376</u>	<u>\$ 19,336,025</u>
Program expenses:		
Public safety and legal services	2,737,163	2,634,029
Physical health and social services	331,440	268,373
Mental health	1,910,180	2,020,935
County environment and education	799,900	790,476
Roads and transportation	8,136,015	7,578,571
Government services to residents	673,859	607,234
Administration	2,238,757	1,913,770
Non-program services	84,500	20,000
Interest on long-term debt	507,791	526,564
Total expenses	<u>17,419,605</u>	<u>16,361,302</u>
Change in net assets	(3,229)	2,974,723
Net assets - beginning	42,162,241	39,187,518
Net assets - ending	<u>\$42,159,012</u>	<u>\$42,162,241</u>

- Capital grants and contributions decreased due to an approximate \$2.7 million decrease in farm to market revenue.
- Property tax revenue increased due to property tax rates increasing 0.21368 per thousand dollars of taxable valuation.
- Changes for service and sales decreased due to a decrease in reimbursements from the state and U.S. Marshall inmate housing.

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services. Roads and transportation saw a greater increase due to a larger number of smaller repair projects, a lower level of inventory kept on hand, and an increase in depreciation expense. Mental health saw a larger decrease due to a decrease in the number of people served during the fiscal year.

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## INDIVIDUAL MAJOR FUND ANALYSIS

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As Plymouth County completed FY09, its budgetary governmental funds reported a combined fund balance of \$4,864,553. FY08 combined fund balances were \$5,009,662. This represents a total decrease of \$145,109.

The General Fund, as the operating fund of Plymouth County, ended FY09 with a balance of \$1,181,254. The General Fund ending fund balance in FY08 was \$1,534,118. This represents a decrease of \$352,864, which is primarily due to a decrease in transfers in. The General Fund balance is maintaining a healthy state and in FY10 the budget planned to maintain this as well.

The MH/DD Fund ended FY09 with a balance of \$517,055. The ending fund balance for FY08 was \$263,326. This represents an increase of \$253,729. The MH/DD Fund is determined by state mandated formulas to set the maximum property tax dollars allowed. The fund balance has increased from last year, which is due to an increase in allocations from the state and a slight decrease in expenditures. However, the State has indicated additional money will be available for counties incurring a fund balance below 10% of their expenses. If State mandates continue to determine the amount of money we can levy in this fund then cuts to services currently funded may be required.

The Rural Services Fund ended FY09 with a balance of \$671,323. The ending fund balance for FY08 was \$464,620. This represents an increase of \$206,703. The Rural Services fund balance increased primarily from an increase in property tax collection with a slight decrease in expenditures.

The Secondary Road Fund ended FY09 with a balance of \$1,458,540. The ending fund balance for FY08 was \$1,964,395. This represents a decrease of \$505,855. The decrease is due to the decrease in state funding and the increase in project costs.

The Urban Renewal Fund ended FY09 with a balance of (\$1,194,577). The ending fund balance for FY08 was (\$1,320,814). This consists of the County's purchase of property known as "Winter Feed Lots", expenses the County incurred to grade and pave Keystone Ave. and the purchase of property known as Le Mars Industrial Park 2<sup>nd</sup> addition. The county intends to finance this deficit with future TIF revenues.

The Local Option Sales Tax Fund ended FY09 with a balance of \$1,773,914. The ending fund balance for FY08 was \$1,336,147. This represents a increase of \$437,767. The increase is attributed to the Board allocating funds to be used for the future construction of a courthouse annex building and the ECO Center at Hillview Park and a decrease in transfers out.

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## BUDGETARY HIGHLIGHTS

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Over the course of the year, Plymouth County amended its budget one time. The amendment was made in May 2009 and resulted in an increase in budgeted disbursements related to additional election expenses, an additional capital project, employee health insurance, and repairs related to conservation.

The County's receipts were \$167,697 less than budgeted, a variance of .9%. The most significant variance resulted from the County not receiving all the anticipated intergovernmental revenue.

Total disbursements were \$841,542 less than the amended budget. Actual disbursements for the administration, roads and transportation, county environment and education functions were \$435,209, \$196,701 and \$115,550, respectively, less than budgeted. This was primarily due to a decrease in anticipated costs.

Even with the budget amendment, the County exceeded the budgeted amounts in the non-program function for the year ended June 30, 2009. The County passed through a balloon payment for a local business to the Iowa Department of Economic Development.

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## CAPITAL ASSETS AND DEBT ADMINISTRATION

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### Capital Assets

At the end of FY09, Plymouth County had approximately \$48.3 million invested in capital assets, net of accumulated depreciation. At the end of FY08, Plymouth County had approximately \$48.8 million invested in capital assets, net of accumulated depreciation.

<b>Capital Assets of Governmental Activities at Year End</b>		
	<b>2009</b>	<b>2008</b>
Land (capital asset not being depreciated)	\$ 1,040,107	\$ 1,040,107
Buildings and improvements	6,836,952	6,965,435
Equipment	3,547,238	3,422,426
Infrastructure	36,478,641	36,030,408
Construction in progress (capital asset not being depreciated)	400,709	1,399,556
Total Governmental Activities Capital Assets	48,303,647	48,857,932
Less: Total Capital Assets not being depreciated	1,440,816	2,439,663
Total Governmental Activities Capital Assets being depreciated, net	<u>\$ 46,862,831</u>	<u>\$ 46,418,269</u>

The County had a total accumulated depreciation expense on June 30, 2009 of \$29,243,185. Additional information on the County's capital assets can be found in Note 5 of the financial statements.

### Long Term Debt

At the end of FY09 Plymouth County had total bonded indebtedness of \$10,965,000, including general obligation and local option sales tax revenue bonds.

<b>Outstanding Debt of Governmental Activities at Year-End</b>		
	<b>2009</b>	<b>2008</b>
Sales tax revenue bonds, series 2002 – Law Enforcement	\$ 3,435,000	\$ 3,775,000
Net total of related debt to county capital assets	3,435,000	3,775,000
General obligation bonds, series 2005A – Urban Renewal	7,530,000	7,840,000
Net total outstanding debt	<u>\$10,965,000</u>	<u>\$ 11,615,000</u>

Additional information on the County's long-term debt can be found in Note 6.

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## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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Plymouth County's elected and appointed officials and citizens considered many factors when setting the fiscal year 2010 budget, tax rates, and fees that finance the various County services. The tax rate for FY10 in the Rural Basic Fund remains constant, at the 3.95000 maximum levy and the General Basic Fund remains constant at maximum levy of 3.50000 in order to properly fund operations of this fund for FY10. The General Fund ended FY09 with a \$352,864 net decrease in fund balance from FY08. (Plymouth County budgets on a cash basis, therefore, amounts in this budget section are also presented on a cash basis, while the rest of this report previous has been reported on an accrual basis.) The budget goal for the General Basic Fund is to help stabilize the General Fund Reserves. Plymouth County received an increase of \$68,489,730 of taxable valuation for FY10 compared to FY09, which increases the amount of property tax for the General Fund. The tax levy rate in the Debt Service Fund was reduced slightly to .08193 in FY10 from .08847 in FY09.

Plymouth County levy rate in the General Basic Supplemental fund was reduced slightly to 0.20347 in FY10 from 0.22708 for FY09. This levy creates \$220,000 of tax which will be used to purchase the Counties tort liability insurance.

These factors were taken into account when adopting the budget for fiscal year 2010. The amounts available for appropriation in the General Fund are approximately \$5,754,669 and the General Basic Supplemental Fund is \$220,000. The amounts available for appropriation in Special Revenue Funds, Capital Projects fund and permanent funds are approximately \$11,011,860. The amounts available for appropriation in the Debt Service Fund are \$1,265,731.

If these estimates are realized, Plymouth County's General Fund FY 10 balance is expected to maintain a similar year end state as FY09. The Rural Fund balance is expected to increase in FY10 from FY09 due to revenues exceeding expenses.

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## CONTACTING THE COUNTY'S FINANCIAL MANAGER

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This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of Plymouth County finances, and to show the County's accountability for the money it receives. This Management Discussion and Analysis was prepared by Auditor, Stacey Feldman. If you have any questions about this report or need additional information, contact:

**Plymouth County Auditor's Office**

**Stacey Feldman – Plymouth County Auditor**

215 4<sup>th</sup> Ave. SW  
Le Mars, Iowa, 51031  
Phone: (712) 546-6100  
Fax: (712) 546-5784

## PLYMOUTH COUNTY BOARD OF SUPERVISORS FOR FY 08-09:

**Don Kass   Jim Henrich   Mark Loutsch   Gordon Greene   Craig Anderson**

**COUNTY OF PLYMOUTH, IOWA**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2009**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and Pooled Investments	\$ 1,718,136
Receivables:	
Property Tax	88,563
Future Property Tax	8,275,146
Accrued Interest	7,456
Accounts	20,629
Due from Other Governmental Agencies	1,041,413
Note Receivable	967,080
Inventories	676,738
Prepaid Insurance	112,018
Bond Issue Costs	114,711
Restricted Assets:	
Cash and Pooled Investments	765,247
Land	1,040,107
Construction in Progress	400,709
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	46,862,831
Total Assets	<u>62,090,784</u>
<b>LIABILITIES</b>	
Accounts Payable	406,089
Due to Other Governmental Agencies	6,522
Deferred Revenue - Future Property Tax	8,275,146
Accrued Interest Payable	40,353
Salaries and Benefits Payable	55,700
Long Term Liabilities:	
Due Within One Year:	
General Obligation Bonds	325,000
Revenue Bonds	360,000
Compensated Absences	181,660
Due in More Than One Year:	
General Obligation Bonds	7,205,000
Revenue Bonds	3,075,000
Net OPEB Liability	1,302
Total Liabilities	<u>19,931,772</u>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	44,868,647
Restricted for:	
Debt Service	772,103
Mental Health	517,055
Secondary Roads	1,458,540
Specific Revenues	1,773,799
Unrestricted	(7,231,132)
Total Net Assets	<u>\$ 42,159,012</u>

See Accompanying Notes to Financial Statements

**COUNTY OF PLYMOUTH, IOWA**  
**STATEMENT OF ACTIVITIES**  
**Year Ended June 30, 2009**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>
		<u>Charges for Services</u>
<b>Primary Government:</b>		
Governmental Activities:		
Public safety and legal services	\$ 2,737,163	\$ 646,019
Physical health and social services	331,440	
Mental health	1,910,180	
County environment and education	799,900	127,994
Roads and transportation	8,136,015	130,753
Government services to residents	673,859	440,826
Administration	2,238,757	10,766
Non-program services	84,500	
Debt Service	507,791	
Total governmental activities	<u>\$ 17,419,605</u>	<u>\$ 1,356,358</u>

See Accompanying Notes to Financial Statements

Program Revenues		Net (Expense)
Operating Grants Contributions	Capital Grants Contributions	Revenue and Changes in Net Assets
		Governmental Activities
		\$ (2,091,144)
\$ 124,103		(207,337)
1,754,478		(155,702)
35,570	\$ 12,500	(623,836)
4,007,547	804,388	(3,193,327)
6,820		(226,213)
		(2,227,991)
84,500		-
215,589		(292,202)
<u>\$ 6,228,607</u>	<u>\$ 816,888</u>	<u>\$ (9,017,752)</u>

General Revenues:

Property and other county tax levied for:

General Purposes	7,139,207
Debt Service	101,581
Interest and penalties on taxes	52,946
State tax credits	290,651
Local option sales tax	1,072,834
General intergovernmental revenues	38,411
Interest	121,029
Gain on Sale of Assets	1,825
Miscellaneous	196,039

Total general revenues	<u>9,014,523</u>
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Change in net assets	(3,229)
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Net assets - beginning	<u>42,162,241</u>
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Net assets - ending	<u>\$ 42,159,012</u>
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**COUNTY OF PLYMOUTH, IOWA**  
**BALANCE SHEET**  
**Governmental Funds**  
**JUNE 30, 2009**

	General	Mental Health	Rural Services
<b>Assets</b>			
Cash and Pooled Investments	\$ 140,289		
Receivables:			
Property Tax	81,361	\$ 1,958	\$ 3,105
Future Property Tax	4,007,308	355,840	2,590,360
Accrued Interest	7,035		
Accounts	19,269		
Due from Other Funds	719,066	768,732	672,572
Due from Other Governmental Agencies	215,854	17,180	
Note Receivable			
Prepaid Insurance	112,018		
Inventories			
Restricted Assets:			
Cash and Pooled Investments			
Total Assets	5,302,200	1,143,710	3,266,037
<b>Liabilities and Equity</b>			
Liabilities:			
Accounts Payable	36,289	269,328	330
Due to Other Funds			
Due to Other Governmental Agencies	6,522		
Deferred Revenue	61,633	552	2,010
Deferred Revenue - Future Property Tax	4,007,308	355,840	2,590,360
Salaries and Benefits Payable	9,194	935	2,014
Total Liabilities	4,120,946	626,655	2,594,714
Fund Balances:			
Reserved for Debt Service			
Reserved for Inventories			
Reserved for Prepaid Insurance	112,018		
Reserved for Notes Receivable			
Unreserved, designated for:			
Computers	49,379		
Unreserved for:			
General Fund	1,019,857		
Special Revenue Fund		517,055	671,323
Capital Project Fund			
Total Fund Balances (Deficit)	1,181,254	517,055	671,323
Total Liabilities and Equity	\$ 5,302,200	\$ 1,143,710	\$ 3,266,037

See Accompanying Notes to Financial Statements

Secondary Roads	Joint Urban Renewal	Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 279,053		\$ 545,636	\$ 753,158	\$ 1,718,136
	\$ 1,861		278	88,563
	1,020,484		301,154	8,275,146
	211		210	7,456
			1,360	20,629
		296,497		2,456,867
639,780		168,013	586	1,041,413
	967,080			967,080
				112,018
676,738				676,738
		765,247		765,247
1,595,571	1,989,636	1,775,393	1,056,746	16,129,293
93,474		1,479	5,189	406,089
	2,163,647		293,220	2,456,867
				6,522
	82		139	64,416
	1,020,484		301,154	8,275,146
43,557				55,700
137,031	3,184,213	1,479	599,702	11,264,740
		765,247	47,209	812,456
676,738				676,738
				112,018
	967,080			967,080
				49,379
				1,019,857
781,802	(2,161,657)	1,008,667	340,650	1,157,840
			69,185	69,185
1,458,540	(1,194,577)	1,773,914	457,044	4,864,553
\$ 1,595,571	\$ 1,989,636	\$ 1,775,393	\$ 1,056,746	\$ 16,129,293

See Accompanying Notes to Financial Statements

**PLYMOUTH COUNTY, IOWA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**JUNE 30, 2009**

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*Amounts reported for governmental activities in the statement of net assets are different because:*

Total Fund Balance - Governmental Funds (page 18)		\$	4,864,553
Infrastructure, property, and equipment used in governmental activities are not financial resources and, therefore, are not reported in the funds.			48,303,647
Deferred revenues from the balance sheet that provide current financial resources for governmental activities.			64,416
Accrued expenses from the balance sheet that require current financial resources for governmental activities.			(40,353)
Bond issue costs are reported in the governmental activities but are not reported in the funds as they do not provide current economic resources.			114,711
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Revenue Bonds	(3,435,000)		
General Obligation Bonds	(7,530,000)		
Compensated Absences	(181,660)		
Other postemployment benefits	(1,302)		
			<u>(11,147,962)</u>
Total Net Assets - Governmental Activities (page 14)		\$	<u>42,159,012</u>

**COUNTY OF PLYMOUTH, IOWA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Governmental Funds**  
**Year Ended June 30, 2009**

	General	Mental Health	Rural Services
Revenue:			
Property and other county taxes	\$ 3,618,122	\$ 343,751	\$ 2,345,028
Interest and penalties on taxes	52,946		
Intergovernmental	453,817	1,769,860	124,435
Licenses and permits			13,600
Charges for services	1,008,805		7,595
Use of money and property	183,086		
Miscellaneous	162,530	42,855	581
Total Revenue	<u>5,479,306</u>	<u>2,156,466</u>	<u>2,491,239</u>
Expenditures:			
Current operating:			
Public safety and legal services	2,636,963		78,000
Physical health and social services	312,574		16,240
Mental Health		1,902,737	
County environment and education	471,187		298,115
Roads and transportation			
Government services to residents	668,083		
Administration	1,633,903		26,181
Non-program services	84,500		
Capital projects			
Debt service:			
Principal			
Interest			
Total Expenditures	<u>5,807,210</u>	<u>1,902,737</u>	<u>418,536</u>
Excess (deficiency) of revenues over expenditures	<u>(327,904)</u>	<u>253,729</u>	<u>2,072,703</u>
Other financing sources (uses):			
Transfers in			
Transfers (out)	(114,000)		(1,866,000)
Proceeds from issuance of debt	99,923		
Total other financing sources (uses)	<u>(14,077)</u>	<u>-</u>	<u>(1,866,000)</u>
Net Change in Fund Balances	(341,981)	253,729	206,703
Fund balances (deficits) - beginning of year	1,534,118	263,326	464,620
(Decrease) in Reserve for:			
Prepaid Insurance	(10,883)		
Inventory			
Fund balances (deficits) - end of year	<u>\$ 1,181,254</u>	<u>\$ 517,055</u>	<u>\$ 671,323</u>

See Accompanying Notes to Financial Statements

Secondary Roads	Joint Urban Renewal	Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
	\$ 827,241	\$ 1,072,834	\$ 101,581	\$ 8,308,557
				52,946
\$ 4,419,438			257,243	7,024,793
16,513				30,113
			6,424	1,022,824
35,029	5,312		5,009	228,436
80,780	50,000		12,574	349,320
4,551,760	882,553	1,072,834	382,831	17,016,989
			19,595	2,734,558
				328,814
				1,902,737
			614	769,916
5,885,040			293,220	6,178,260
			6,425	674,508
	141,882	319,737	21,173	2,142,876
				84,500
1,053,905			29,727	1,083,632
			749,923	749,923
			502,744	502,744
6,938,945	141,882	319,737	1,623,421	17,152,468
(2,387,185)	740,671	753,097	(1,240,590)	(135,479)
1,980,000	7,009		936,773	2,923,782
	(621,443)	(315,330)	(7,009)	(2,923,782)
				99,923
1,980,000	(614,434)	(315,330)	929,764	99,923
(407,185)	126,237	437,767	(310,826)	(35,556)
1,964,395	(1,320,814)	1,336,147	767,870	5,009,662
				(10,883)
(98,670)				(98,670)
\$ 1,458,540	\$ (1,194,577)	\$ 1,773,914	\$ 457,044	\$ 4,864,553

See Accompanying Notes to Financial Statements

**COUNTY OF PLYMOUTH, IOWA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**Year Ended June 30, 2009**

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Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds (page 21)	\$ (35,556)
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Governmental funds report capital outlays, including infrastructure, as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current year as follows:

Expenditures for capital assets	1,950,554	
Depreciation Expense	<u>(2,488,115)</u>	(537,561)

In the Statement of Activities, the loss on the disposition of capital assets is reported whereas the governmental funds report the proceeds from the sale as an increase in financial resources	(16,724)
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Revenues reported in the funds that are not available to provide current financial resources	5,065
--	-------

Accrued interest expense that does not require current financial resources	2,160
--	-------

Inventories and insurance in the governmental funds have been recorded as expenditures when paid. However, the statement of activities will report these items as expenditures in the period that the corresponding asset is exhausted.	(109,553)
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The effect of bond issuance costs when new debt is issued, whereas, these amounts are deferred and amortized in the Statement of Activities.	(7,207)
--	---------

Compensated absences that do not require current financial resources.	47,449
---	--------

Proceeds from issuance of long-term debt.	(99,923)
---	----------

The repayment of the principal of bonded long-term debt consumes the current financial resources of governmental funds without affecting the net assets. The statement of activities does not reflect the payment of principal on bonded long-term debt. The principal paid on bonded long-term debt during the current year was:	749,923
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Other postemployment benefits that do not require current financial resources	<u>(1,302)</u>
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Change in net assets of governmental activities (page 16)	<u><u>\$ (3,229)</u></u>
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**COUNTY OF PLYMOUTH, IOWA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**Fiduciary Funds**  
**JUNE 30, 2009**

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**ASSETS**

Cash and Pooled Investments	\$	1,508,741
Receivables:		
Property Tax		87,984
Future Property Tax		26,561,940
Assessments		28,902
Accounts		32,970
Accrued Interest		400
Due from Other Governments		41,224
<b>Total Assets</b>		<u>28,262,161</u>

**LIABILITIES**

Accounts Payable		1,516
Due to Other Governments		28,259,588
Compensated Absences		1,057
<b>Total Liabilities</b>	\$	<u>28,262,161</u>

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 1 - Summary of Significant Accounting Policies**

The County of Plymouth, Iowa (the County) is a political subdivision of the State of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The County operates under the Board of Supervisors form of government. Elections are on a partisan basis. Other elected officials operate independently with the Board of Supervisors. These officials are the Auditor, Recorder, Treasurer, Sheriff, and Attorney. The County provides numerous services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, roadway construction and maintenance, general administrative services, and economic development.

The County's Financial Statements are prepared in accordance with the U.S. generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board. The more significant accounting policies established by GAAP and used by the County are discussed below.

**A. Reporting Entity**

For financial reporting purposes, the County has included all funds, organizations, agencies, boards, commissions and authorities. The County has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the County. Plymouth County has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations - The County participates in several jointly governed organizations for which the County is not financially accountable or that the nature and significance of the relationship with the County are such that exclusion does not cause the County's financial statements to be misleading or incomplete. The County Board of Supervisors is members of or appoint representatives to the following boards and commissions: Plymouth County Assessor's Conference Board, Plymouth County and Municipal Joint Disaster Services Commission, and County Joint E911 Service Board. Financial transactions of these organizations are included in the County's financial statements only to the extent of the County's fiduciary relationship with the organization and, as such, are reported as Agency Funds of the County.

**B. Basic Financial Statements – Government-Wide Statements**

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The County's Public Safety and Legal Services, Physical Health and Social Services, County Environment and Education, and Government Services to Residents are classified as governmental activities. The County has no business-type activities.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 1 -      Summary of Significant Accounting (Continued)**

In the government-wide Statement of Net Assets, the governmental activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The County first uses restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions (administration, law enforcement, courts, roads, etc.). The functions are also supported by general government revenues (property taxes, fines, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants, and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

This government-wide focus is more on the sustainability of the County as an entity and the change in the County's net assets resulting from the current year's activities.

**C. Basis of Presentation - Fund Accounting**

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds. Nonmajor funds are summarized into a single column. GASB No. 34 sets forth minimum criteria for the determination of major funds. The County electively added funds, as major funds, which had a specific community focus. The nonmajor funds are combined in a column in the fund financial statements.

Governmental Fund Types – The focus of the governmental funds' measurement (in the fund statements) is upon the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The County reports the following major governmental funds.

- 1) General Fund – The General Fund is the general operating fund of the County. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenses, the fixed charges and the capital improvement costs that are not paid from other funds.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 1 - Summary of Significant Accounting (Continued)**

2) Special Revenue Funds

The Mental Health Fund is used to account for property tax and other revenues designated to be used to fund mental health, mental retardation, and developmental disabilities services.

The Rural Services Fund is used to account for property tax and other revenues to provide services which are primarily intended to benefit those persons residing in the County outside of incorporated city areas.

The Secondary Roads Fund is used to account for secondary road construction and maintenance.

The Local Option Sales Tax Fund is used to account for the revenues from the tax authorized by referendum and used for county infrastructure and county improvements.

The Joint Urban Renewal Fund is used to account for the TIF dollars that will be generated by a new TIF district established in Plymouth County.

3) Debt Service Fund

The Debt Service Fund is used to account for the payment of interest and principal on the County's general long-term debt. The Debt Service Fund is not a major fund.

Fiduciary Fund Types - Fiduciary funds are used to report assets held in an agency or custodial capacity for others and therefore not available to support County programs. Since agency funds are custodial in nature, they do not involve the measurement of results of operations and are not incorporated into the government-wide statements.

The agency funds of the County account for the property taxes levied by political subdivisions within the county, collections of those amounts by the county, and the remittance of the collected amounts to the subdivisions.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual accounting is used for all activities in the government-wide financial statements and for the fiduciary activities in the fund financial statements. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual is used by all governmental funds in the fund financial statements. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 1 - Summary of Significant Accounting (Continued)**

Expenditures are recorded when the related fund liability is incurred. An exception to this general rule is that principal and interest on general obligation debt, if any, is recognized when due.

Those revenues susceptible to accrual are property taxes and intergovernmental revenues. Licenses, fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

- E. Budgets – The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2009, disbursements exceeded the amounts budgeted in the non-program services function.
- F. Cash and Pooled Investments – The cash balances of most County funds are pooled and invested. The County has defined cash and cash equivalents to include cash on hand and demand deposits. In addition, each fund's equity in the county's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty. Interest earned on investments is recorded in the General Fund, unless otherwise provided by law. The County uses the following method in determining the reported amounts:

<u>Type</u>	<u>Method</u>
Certificates of Deposit	Cost
Iowa Public Agency Investment Trust	Fair value determined by current share price

- G. Property Tax Receivable - The County's property tax rates were extended against the assessed valuation of the County as of January 1, 2007 to compute the amounts for the accrual period July 1, 2008 to June 30, 2009. These taxes were due and payable in two installments on September 30, 2008 and March 31, 2009 at the County Treasurer's Office. Property tax receivable represents taxes that are due and payable but have not been collected.
- H. Future Property Taxes Receivable – This represents taxes certified by the Board of Supervisors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Supervisors is required to certify its budget in March of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year.

Although the succeeding year property tax receivable has been recorded, for governmental funds the revenue is recorded as unearned revenue and will not be recognized as revenue until the year for which it is levied. For agency funds, as no revenues are recorded, the amounts are reflected as being due from other governments.

- I. Assessments Receivable – Assessments receivable represent the amounts due from individuals for work done which benefits their property. These assessments are payable by individuals in not less than ten or more than twenty annual installments. Each annual installment with interest on the unpaid balance is due on September 30 and is subject to the same interest and penalties as other taxes. Assessments receivable represents assessments, which are due and payable in the next year but have not been collected and are recorded in a fiduciary fund of the County.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 1 -      Summary of Significant Accounting (Continued)**

- J. Due to/from Other Funds – During the course of operations numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet.
- K. Due to/from Other Governments - Due to/from other governments represents state tax credits due from the State of Iowa, various shared revenues, grants, and reimbursements receivable and taxes and other revenues collected by the County which will be remitted to other governments.
- L. Inventories - Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. Reported inventories in the fund financial statements are equally offset by a fund balance reserve, which indicates that they are not available to liquidate current obligations.
- M. Deferred Revenue - Although certain revenues are measurable, they are not available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue consists of property tax receivable not collected within sixty days after year-end.
- N. Landfill – The County participates in a 28E agreement with Plymouth County Solid Waste Agency and therefore, is not required to account for landfill post closure costs.
- O. Compensated Absences – County employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide and fiduciary fund financial statements. A liability for these amounts is reported in the governmental fund financial statements only for employees that have resigned or retired. The compensated absence liability has been computed based on rates of pay in effect at June 30, 2009. The compensated absence liability attributable to the governmental activities will be paid primarily by General and Secondary Roads Funds.
- P. Long-Term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Assets. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Premiums and discounts on new debt issued are reported as an other financing source or use.

- Q. Fund Equity – In the governmental fund financial statements, reservations of fund balance are reported for amounts that are not available for appropriation or are legally restricted by outside parties for use a specific purpose.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 1 - Summary of Significant Accounting (Continued)**

R. Capital Assets – Capital assets, which include property, equipment and vehicles, and infrastructure assets (e.g., roads, bridges, curbs, gutters, sidewalks, and similar items which are immovable and of value only to the government), are reported in the governmental activities column in the government-wide statement of net assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the County as assets with initial, individual costs in excess of \$5,000 for equipment, \$25,000 for land and buildings, and \$65,000 for infrastructure. Property and equipment of the County is depreciated using the straight line method over the following estimated useful lives:

Buildings and Structures	10 - 75 Years
Infrastructure	10 - 65 Years
Machinery and Equipment	5 - 20 Years

**Note 2 - Deposits and Pooled Investments**

The County's deposits at June 30, 2009 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The County is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Supervisors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; and certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The County has certificates of deposits only as of June 30, 2009 with various maturities extending no later than July, 2010.

Custodial Credit Risk: The County has no policy in place regarding custodial credit risk and deposits with financial institutions, however, deposits are insured by the state sinking fund, which provides for additional assessments against depositories to avoid loss of public funds.

The County had investments in the Iowa Public Investment Trust which are valued at an amortized cost of \$118,178 pursuant to Rule 2a-7 under the Investment Company Act of 1940. This investment is not rated.

Interest rate risk: The County's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the County.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 3 - Interfund Receivables and Payables**

The detail of interfund receivables and payables at June 30, 2009 is as follows:

<u>Fund Due To</u>	<u>Fund Due From</u>	<u>Amount</u>
Secondary Roads	Joint Urban Renewal	\$ 672,572
General Basic	Joint Urban Renewal	719,066
Local Option Sales Tax	Joint Urban Renewal	296,497
Mental Health	Joint Urban Renewal	475,512
Mental Health	Plymouth County Ethanol Urban Renewal	293,220
		<u>\$ 2,456,867</u>

The purpose of the interfund balances is to finance short-term cash flow shortages.

**Note 4 - Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2009 is as follows:

	<u>General</u>	<u>Rural Services</u>	<u>Local Option Sales Tax</u>	<u>Joint Urban Renewal</u>	<u>Non-Major Governmental Funds</u>	<u>Total Transfer In:</u>
Secondary Roads	\$ 114,000	\$ 1,866,000	\$ -	\$ -	\$ -	\$ 1,980,000
Joint Urban Renewal	-	-	-	-	7,009	7,009
Non-Major Governmental Funds	-	-	315,330	621,443	-	936,773
<b>Transfer Out:</b>	<u>\$ 114,000</u>	<u>\$ 1,866,000</u>	<u>\$ 315,330</u>	<u>\$ 621,443</u>	<u>\$ 7,009</u>	<u>\$ 2,923,782</u>

Transfers are used to:

1. Move resources from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.
2. Move receipts restricted to debt service from the fund collecting the receipts to the debt service fund as debt service payments become due.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

**Note - 5 Capital Assets**

A summary of changes in capital assets is as follows:

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,040,107	\$ -	\$ -	\$ 1,040,107
Construction in Progress	1,399,556	837,808	1,836,655	400,709
Total capital assets not being depreciated	2,439,663	837,808	1,836,655	1,440,816
Capital assets being depreciated:				
Buildings	8,064,049	-	-	8,064,049
Equipment	7,571,868	587,832	536,179	7,623,521
Infrastructure	58,056,877	2,361,569	-	60,418,446
Total capital assets being depreciated	73,692,794	2,949,401	536,179	76,106,016
Less accumulated depreciation for:				
Buildings	1,098,614	128,483	-	1,227,097
Equipment	4,149,442	446,296	519,455	4,076,283
Infrastructure	22,026,469	1,913,336	-	23,939,805
Total accumulated depreciation	27,274,525	2,488,115	519,455	29,243,185
Total capital assets being depreciated, net	46,418,269	461,286	16,724	46,862,831
Governmental activities capital assets, net	\$ 48,857,932	\$ 1,299,094	\$ 1,853,379	\$ 48,303,647

Depreciation expense was charged to the functions as follows:

Public safety and legal services	\$ 60,902
Physical health and social services	3,434
Mental health	9,325
County environment and education	18,531
Roads and transportation	2,266,305
Government services to residents	5,614
Administration	124,004
	<u>\$ 2,488,115</u>

**Reconciliation of Invested in Capital Assets:**

	Governmental Activities
Land	\$ 1,040,107
Construction in Progress	400,709
Capital Assets (net of accumulated depreciation)	46,862,831
Less: Revenue Bonds	<u>(3,435,000)</u>
Invested in Capital Assets, Net of Related Debt	<u>\$ 44,868,647</u>

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

**Note - 6      Long-Term Liabilities**

The County's computed legal debt limit as of June 30, 2009, is \$90,921,272 of which \$7,530,000 is committed for outstanding general obligation bonds.

The following is a summary of changes in long-term liability for the year ended June 30, 2009:

	<b>General Obligation Bonds</b>	<b>L.O.S.T. Revenue Bonds</b>	<b>Compensated Absences</b>	<b>Total</b>
Balance Beginning of Year	\$ 7,840,000	\$ 3,775,000	\$ 229,109	\$11,844,109
Increases	-	-	181,660	181,660
Decreases	310,000	340,000	229,109	879,109
Balance End of Year	<u>\$ 7,530,000</u>	<u>\$ 3,435,000</u>	<u>\$ 181,660</u>	<u>\$11,146,660</u>
Due Within One Year	\$ 325,000	\$ 360,000	\$ 181,660	\$ 866,660

**Bonds Payable**

A summary of the County's June 30, 2009 general obligation and local option sales tax revenue bond indebtedness is as follows:

	<b>Date Of Issue</b>	<b>Interest Rates</b>	<b>Annual Payments</b>	<b>Amount Originally Issued</b>	<b>Outstanding June 30, 2009</b>
<i>Sales Tax Revenue Bonds:</i>					
Series 2002	2002	4.75 – 6.30%	\$320,000 - \$510,000	\$5,400,000	\$ 3,435,000
<i>General Obligation Urban Renewal Bonds:</i>					
Series 2005A	2005	3.15 – 4.40%	\$310,000 - \$630,000	\$7,840,000	<u>7,530,000</u>
					<u>\$ 10,965,000</u>

In June 2005, the County issued \$7,840,000 of General Obligation Urban Renewal Bonds to be used for economic development purposes in Plymouth County. The bonds will be repaid with future TIF revenues generated from the increased tax base.

**Short-Term Liability**

Balance Beginning of Year	\$ -
Increases	99,923
Decreases	<u>99,923</u>
Balance End of Year	<u>\$ -</u>

During the year the County purchased fixed assets with the short-term liability.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note - 6      Long-Term Liabilities (Continued)**

The annual requirements to amortize all bonds outstanding as of June 30, 2009, are as follows:

<b>Fiscal Year</b>	<b>General Obligation Principal</b>	<b>Sales Tax Revenue Bond Principal</b>	<b>Interest</b>	<b>Total</b>
2010	\$ 325,000	\$ 360,000	\$ 475,330	\$ 1,160,330
2011	345,000	375,000	446,227	1,166,227
2012	370,000	395,000	414,683	1,179,683
2013	390,000	415,000	380,484	1,185,484
2014	405,000	435,000	343,719	1,183,719
2015-2019	1,315,000	1,455,000	1,134,306	4,869,306
2020-2024	2,785,000	-	506,560	3,291,560
2025	630,000	-	27,720	657,720
	<u>\$ 7,530,000</u>	<u>\$ 3,435,000</u>	<u>\$ 3,729,029</u>	<u>\$ 14,694,029</u>

\$812,456 is available to service the General Obligation and Sales Tax Revenue Bonds. The general obligation bonds are to be retired through property tax levies. The Sales Tax Revenue Bonds are to be retired through local option sales tax revenue and contributions from surrounding communities pursuant to a 28E agreement.

There are a number of limitations and restrictions contained in the various bond indentures creating certain reserve and sinking funds to insure repayment of the revenue bonds. A summary of the fund requirements is as follows:

<b>Special Revenue</b>	<b>Type of Account</b>	<b>Required Balance June 30, 2009</b>	<b>Actual Balance June 30, 2009</b>
Local Option Sales Tax	Sinking Fund	\$ 225,247	\$ 225,247*
Local Option Sales Tax	Reserve Fund	\$ 540,000	\$ 540,000*

\*Amounts are classified as restricted assets on the combined balance sheet.

**Note 7 -      Risk Management**

Plymouth County is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 331.301 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 620 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property and inland marine and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each members' annual casualty contributions to the Pool fund current operations and provide capital. Annual operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses due and payable in the current year, plus all or any portion of any deficiency in capital.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 7 - Risk Management (Continued)**

Capital contributions are made during the first six years of membership and are maintained to equal 200 percent of the total current members' basis rates or to comply with the requirements of any applicable regulatory authority having jurisdiction over the Pool.

The Pool also provides property coverage. Members who elect such coverage make annual operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, all of which are due and payable in the current year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The County's property and casualty contributions to the risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The County's annual contributions to the Pool for the year ended June 30, 2009 were \$204,665.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$200,000 per claim. Claims exceeding \$200,000 are reinsured in an amount not to exceed \$2,000,000 per claim and \$7,000,000 in aggregate per year. For members requiring specific coverage from \$3,000,000 to \$7,000,000, such excess coverage is also reinsured. Property and automobile physical damage risks are retained by the Pool up to \$100,000 each occurrence, each location, with excess coverage reinsured on an individual-member basis.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim or series of claims exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event that a series of casualty claims exhausts total members' equity plus any reinsurance and any excess risk-sharing recoveries, then payment of such claims shall be the obligation of the respective individual member. The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable that such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2009, no liability has been recorded in the County's financial statements. As of June 30, 2009, settled claims have not exceeded the risk pool or reinsurance company coverage since the pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days prior written notice may withdraw from the Pool. Upon withdrawal, payments for all claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Members withdrawing within the first six years of membership may receive a partial refund of their capital contributions. If a member withdraws after the sixth year, the member is refunded 100 percent of its capital contributions. However, the refund is reduced by an amount equal to the annual operating contribution which the withdrawing member would have made for the one-year period following withdrawal.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 7 - Risk Management (Continued)**

The County also carries commercial insurance purchased from other insurers for coverage associated with workers compensation and employee blanket bond in the amount of \$500,000 and \$100,000, respectively. The County assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The County also participates in the Iowa Municipalities Workers' Compensation Association (IMWCA) for workman's compensation insurance.

**Note 8 - Pension and Retirement**

Iowa Public Employees Retirement System – The County contributed to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by the state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, IA 50306-9117

Plan members are required to contribute 4.10% of their annual covered salary and the County is required to contribute 6.35% of covered salary for the year ended June 30, 2009. Certain employees in special risk occupations and the County contribute on actuarially defined contribution rate. Contribution requirements are established by state statute. The County contribution to IPERS for the years ended June 30, 2009, 2008 and 2007 were \$321,206, \$283,545, and \$270,143, respectively, equal to the required contributions for each year.

**Note 9 - Other Postemployment Benefits (OPEB)**

Plymouth County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other Than Pensions* during the year ended June 30, 2009.

Plan Description. The County operates a single-employer retiree benefit plan which provides medical/prescription drug benefits for retirees and their spouses. There are 108 active and 1 retired members in the plan. Participants must be age 55 or older at retirement.

The medical/prescription drug coverage, which is a medical plan, is administered by Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

Funding Policy. The contribution requirements of plan members are established and may be amended by the County. The County currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost is calculated based on the annual required contribution (ARC) of the County, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

**Note 9 - Other Postemployment Benefits (OPEB) (Continued)**

The following table shows the components of the County's annual OPEB cost for the year ended June 30, 2009, the amount actually contributed to the plan and changes in the County's net OPEB obligation:

Annual required contribution	\$ 6,915
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost	6,915
Contributions made	(5,613)
Increase in net OPEB obligation	1,302
Net OPEB obligation beginning of year	-
Net OPEB obligation end of year	<u>\$ 1,302</u>

For calculation of the net OPEB obligation, the actuary has set the transition day as July 1, 2008. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2009.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2009 are summarized as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$ 6,915	81.17%	\$ 1,302

Funded Status and Funding Progress. As of July 1, 2008, the most recent actuarial valuation date for the period July 1, 2008 through June 30, 2009, the actuarial accrued liability was \$59,051, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$59,051. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$4,385,000 and the ratio of the UAAL to covered payroll was 1.34%. As of June 30, 2009, there were no trust fund assets.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information in the section following the Notes to Financial Statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 9 - Other Postemployment Benefits (OPEB) (Continued)**

include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of July 1, 2008 actuarial valuation date, the unit credit actuarial cost method was used. The actuarial assumptions includes a 4.5% discount rate based on the County's funding policy. The projected annual medical trend rate is 10%. The ultimate medical trend rate is 5%. The medical trend rate is reduced 1% each year until reaching the 5% ultimate trend rate.

Mortality rates are from the RP2000 Group Annuity Mortality Table. Annual retirement and termination probabilities were based on 25% for actives currently electing coverage beginning at age 55 and 0% for actives currently waiving coverage.

Projected claim costs of the medical plan are \$926 per month for retirees less than age 65. The salary increase rate was assumed to be 2% per year. The UAAL is being amortized as a level percentage of projected payroll expense on an open basis over 30 years.

**Note 10 - 28E Agreement**

During the year ended June 30, 2002, the County entered into several 28E Agreements with the communities in the County to contribute funds for the construction of a County jail from local option sales tax proceeds. The communities agreed to contribute a total of \$3,236,020 through November 2016. As of June 30, 2009, the communities have made payments totaling \$1,519,926.

**Note 11 - Contingencies**

The County receives significant financial assistance from the U.S. government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any disallowances as a result of these audits become a liability of the fund that receives the grant. As of June 30, 2009, the County estimates that no material liabilities will result from such audits.

The County is a defendant in a number of lawsuits in its normal course of operations. The outcome of these lawsuits is not presently determinable and an estimate of possible losses cannot be made.

**Note 12 - Commitments**

The County has entered into several construction contracts totaling \$1,103,739 for bridge and culvert construction and roadway paving. As of June 30, 2009, \$400,708 had been incurred against the contracts. The balance of \$703,031 will be paid as work on the projects progress.

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Financial Statements**  
**June 30, 2009**

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**Note 13 -     Deficit Fund Balances**

The County has two funds with deficit fund balances at June 30, 2009. The County intends to finance the deficits with future TIF revenues.

The fund deficits were as follows:

Special Revenue – Joint Urban Renewal	\$ 1,194,577
Special Revenue – Plymouth County Ethanol Urban Renewal	\$ 297,994

## **REQUIRED SUPPLEMENTARY INFORMATION**

**COUNTY OF PLYMOUTH, IOWA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET**  
**AND ACTUAL - ALL GOVERNMENTAL FUNDS (BUDGETARY BASIS)**  
**Year Ended June 30, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Amended		
Revenue:				
Property and other county taxes	\$ 8,100,530	\$ 8,100,530	\$ 8,307,510	\$ 206,980
Interest and penalties on taxes	37,000	37,000	49,172	12,172
Intergovernmental	7,171,975	7,371,975	6,769,998	(601,977)
Licenses and permits	21,550	21,550	30,113	8,563
Charges for services	992,590	1,030,590	1,021,343	(9,247)
Use of money and property	392,600	392,600	226,169	(166,431)
Miscellaneous	234,700	234,700	436,943	202,243
Total Revenue	16,950,945	17,188,945	16,841,248	(347,697)
Expenditures:				
Current operating:				
Public safety and legal services	2,802,976	2,828,776	2,742,331	86,445
Physical health and social services	282,136	282,136	273,351	8,785
Mental Health	1,723,522	1,878,422	1,872,395	6,027
County environment and education	902,615	910,378	794,828	115,550
Roads and transportation	6,086,000	6,380,000	6,183,299	196,701
Government services to residents	684,060	706,060	702,257	3,803
Administration	2,635,109	2,635,109	2,199,900	435,209
Non-program services	-	-	84,499	(84,499)
Debt service	1,258,581	1,258,581	1,252,667	5,914
Capital projects	1,184,000	1,184,000	1,116,393	67,607
Total Expenditures	17,558,999	18,063,462	17,221,920	841,542
(Deficiency) of revenues over expenditures	(608,054)	(874,517)	(380,672)	493,845
Other financing sources (uses):				
Transfers in	2,931,875	2,931,875	2,938,782	6,907
Transfers out	(2,931,875)	(2,931,875)	(2,938,782)	(6,907)
General long-term debt proceeds	100,000	100,000	99,923	(77)
Total other financing sources (uses)	100,000	100,000	99,923	(77)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (508,054)	\$ (774,517)	(280,749)	\$ 493,768
Balance beginning of year			2,764,132	
Balance end of year			\$ 2,483,383	

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Required Supplementary Information – Budgetary Reporting**  
**June 30, 2009**

The budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds except Agency Funds, and appropriates the amount deemed necessary for each of the different County offices and departments. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized in the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon 10 major classes of expenditures known as functions, not by fund or fund type. These 10 functions are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, one budget amendment increased budgeted disbursements by \$504,463. The budget amendments are reflected in the final budgeted amounts.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County Extension Office by the County Agricultural Extension Council, for the County Assessor by the County Conference Board, for the E911 System by the Joint E911 Service Board and for Emergency Management Services by the County Emergency Management Commission.

During fiscal year 2009, the County had one budget amendment. The amendment is as follows:

<b><u>Function</u></b>	<b><u>Original Budget</u></b>	<b><u>Amendment</u></b>	<b><u>Amended Budget</u></b>
Public Safety and Legal Services	\$ 2,802,976	\$ 25,800	\$ 2,828,776
Physical Health and Social Services	282,136	-	282,136
Mental Health	1,723,522	154,900	1,878,422
County Environment and Education	902,615	7,763	910,378
Roads and Transportation	6,086,000	294,000	6,380,000
Government Services to Residents	684,060	22,000	706,060
Administration	2,635,109	-	2,635,109
Non-Program Services	-	-	-
Debt Service	1,258,581	-	1,258,581
Capital Projects	1,184,000	-	1,184,000
Total	<u>\$ 17,558,999</u>	<u>\$ 504,463</u>	<u>\$ 18,063,462</u>

**COUNTY OF PLYMOUTH, IOWA**  
**Notes to Required Supplementary Information – Budgetary Reporting**  
**June 30, 2009**

During the year ended June 30, 2009, disbursements exceeded the amounts budgeted in the non-program services function.

As noted previously, the actual results of operations are presented in accordance with U.S. generally accepted accounting principles which differ in certain respects from those practices used in the preparation of the 2008-09 budget. For purposes of preparing the budget comparison above, the actual expenses have been adjusted to the cash basis which is consistent with the County's budgeted expenditures. The adjustments required to convert the expenses to cash basis at the end of year are as follows:

<b>Governmental Funds</b>			
	<b>Total</b>		
	<b>Cash Basis</b>	<b>Accrual Adjustments</b>	<b>Modified Accrual Basis</b>
Revenues	\$ 16,841,248	\$ 175,741	\$ 17,016,989
Expenditures	17,221,920	(69,452)	17,152,468
Net	(380,602)	245,193	(135,479)
Other Financing Sources	99,923	-	99,923
Beginning Fund Balance	2,764,132	2,245,530	5,009,662
(Decrease) in Reserve for Inventory	-	(98,670)	(98,670)
(Decrease) in Reserve for Prepaid Insurance	-	(10,883)	(10,883)
Ending Fund Balance	<u>\$ 2,483,383</u>	<u>\$ 2,381,170</u>	<u>\$ 4,864,553</u>

**PLYMOUTH COUNTY**  
**Schedule of Funding Progress for the Retiree Health Plan**  
**Required Supplementary Information**

Actuarial Valuation Date	Actuarial Value of Assets  (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL)  (b-a)	Funded Ratio  (a/b)	Covered Payroll  (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2008	-	\$ 59,051	\$ 59,051	0.00%	\$ 4,385,000	1.34%

See Note 9 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB Cost and Net OPEB Obligation, funded status and funding progress.

## **OTHER SUPPLEMENTARY INFORMATION**

**COUNTY OF PLYMOUTH, IOWA**  
**COMBINING BALANCE SHEET**  
**Governmental Nonmajor Funds**  
**JUNE 30, 2009**

	Special Revenue Funds			
	Debt Service	Revolving Loan Fund	County Attorney Collection Incentive	Recorder's Records Management Fund
<b>Assets</b>				
Cash and Pooled Investments	\$ 47,025	\$ 437,190	\$ 24,289	\$ 25,373
Receivables:				
Property Tax	278			
Future Property Tax	104,500			
Accrued Interest	45			19
Accounts			636	
Due from Other Governmental Agencies				586
<b>Total Assets</b>	<u>151,848</u>	<u>437,190</u>	<u>24,925</u>	<u>25,978</u>
<b>Liabilities and Equity</b>				
<b>Liabilities:</b>				
Accounts Payable				
Due to Other Funds				
Deferred Revenue	139			
Deferred Revenue - Future Property Tax	104,500			
<b>Total Liabilities</b>	<u>104,639</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Reserved for Debt Service	47,209			
Unreserved for:				
Special Revenue Fund		437,190	24,925	25,978
Capital Project Fund				
<b>Total Fund Balances (Deficit)</b>	<u>47,209</u>	<u>437,190</u>	<u>24,925</u>	<u>25,978</u>
<b>Total Liabilities and Equity</b>	<u>\$ 151,848</u>	<u>\$ 437,190</u>	<u>\$ 24,925</u>	<u>\$ 25,978</u>

Special Revenue Funds					
REAP	Forfeiture Fund	Plymouth County Ethanol Urban Renewal	Conservation Land Acquisition	Capital Projects	Total
\$ 39,010	\$ 82,411		\$ 28,780	\$ 69,080	\$ 753,158
					278
		\$ 196,654			301,154
41				105	210
	724				1,360
					586
39,051	83,135	196,654	28,780	69,185	1,056,746
	415	4,774			5,189
		293,220			293,220
					139
		196,654			301,154
-	415	494,648	-	-	599,702
					47,209
39,051	82,720	(297,994)	28,780		340,650
				69,185	69,185
39,051	82,720	(297,994)	28,780	69,185	457,044
\$ 39,051	\$ 83,135	\$ 196,654	\$ 28,780	\$ 69,185	\$ 1,056,746

**COUNTY OF PLYMOUTH, IOWA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**Governmental Nonmajor Funds**  
**YEAR ENDED JUNE 30, 2008**

	Special Revenue Funds			
	Debt Service	Revolving Loan Fund	County Attorney Collection Incentive	Recorder's Records Management Fund
Revenue:				
Property and other county taxes	\$ 101,581			
Intergovernmental	219,548		\$ 4,550	
Charges for services				\$ 6,424
Use of money and property	1,280	\$ 335		326
Miscellaneous		2,855		
Total Revenue	322,409	3,190	4,550	6,750
Expenditures:				
Current operating:				
Public safety and legal services				
County environment and education				
Roads and transportation				
Government services to residents				6,425
Administration		16,000		
Capital projects				
Debt service:				
Principal	749,923			
Interest	502,744			
Total Expenditures	1,252,667	16,000	-	6,425
Excess (Deficiency) of revenues over expenditures	(930,258)	(12,810)	4,550	325
Other financing sources (uses):				
Transfers in	936,773			
Transfers (out)	(7,009)			
Total other financing sources (uses)	929,764	-	-	-
Net Change in Fund Balances	(494)	(12,810)	4,550	325
Fund balances - beginning of year	47,703	450,000	20,375	25,653
Fund balances (Deficits) - end of year	\$ 47,209	\$ 437,190	\$ 24,925	\$ 25,978

Special Revenue Funds					
REAP	Forfeiture Fund	Plymouth County Ethanol Urban Renewal	Conservation Land Acquisition	Capital Projects	Total
					\$ 101,581
\$ 20,645			\$ 12,500		257,243
					6,424
436	\$ 1,119			\$ 1,513	5,009
	9,719				12,574
21,081	10,838	-	12,500	1,513	382,831
	19,595				19,595
	614				614
		\$ 293,220			293,220
					6,425
		4,774		399	21,173
			29,727		29,727
					749,923
					502,744
-	20,209	297,994	29,727	399	1,623,421
21,081	(9,371)	(297,994)	(17,227)	1,114	(1,240,590)
					936,773
					(7,009)
-	-	-	-	-	929,764
21,081	(9,371)	(297,994)	(17,227)	1,114	(310,826)
17,970	92,091	-	46,007	68,071	767,870
\$ 39,051	\$ 82,720	\$ (297,994)	\$ 28,780	\$ 69,185	\$ 457,044

**COUNTY OF PLYMOUTH, IOWA**  
**COMBINING SCHEDULE OF FIDUCIARY NET ASSETS**  
**Agency Funds**  
**JUNE 30, 2009**

	County Recorder	County Sheriff	Ag Extension Education	County Assessor
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 71,838	\$ 27,096	\$ 2,163	\$ 106,010
Receivables:				
Property Tax			448	1,469
Future Property Tax Assessments			189,000	620,149
Accounts	259			
Accrued Interest				45
Due from Other Governments				
Total Assets	<u>72,097</u>	<u>27,096</u>	<u>191,611</u>	<u>727,673</u>
<b>LIABILITIES</b>				
Accounts Payable		692		824
Due to Other Governments	72,097	26,404	191,611	726,636
Compensated Absences				213
Total Liabilities	<u>\$ 72,097</u>	<u>\$ 27,096</u>	<u>\$ 191,611</u>	<u>\$ 727,673</u>

Schools	Area Schools	Corporations	Townships	City Special Assessments
\$ 166,494	\$ 9,884	\$ 62,605	\$ 4,062	\$ 760
36,189	2,103	47,414	353	
14,757,599	886,249	9,799,764	305,935	28,902
14,960,282	898,236	9,909,783	310,350	29,662
14,960,282	898,236	9,909,783	310,350	29,662
\$ 14,960,282	\$ 898,236	\$ 9,909,783	\$ 310,350	\$ 29,662

(continued)

**COUNTY OF PLYMOUTH, IOWA**  
**COMBINING SCHEDULE OF FIDUCIARY NET ASSETS (Continued)**  
**Agency Funds**  
**JUNE 30, 2009**

	Auto License-Use Tax	Joint Disaster	Brucellosis & Tuberculosis Eradication	Tax Redemption
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 573,425	\$ 9,669		\$ 17,053
Receivables:				
Property Tax			\$ 8	
Future Property Tax Assessments			3,244	
Accounts				
Accrued Interest				
Due from Other Governments		29,761		
Total Assets	573,425	39,430	3,252	17,053
<b>LIABILITIES</b>				
Accounts Payable				
Due to Other Governments	573,425	38,586	3,252	17,053
Compensated Absences		844		
Total Liabilities	\$ 573,425	\$ 39,430	\$ 3,252	\$ 17,053

Emergency 911	Future Tax Payment	Recorder's Electronic Fee Fund	Drainage Districts	Total
\$ 311,522	\$ 126,917	\$ 556	\$ 18,687	\$ 1,508,741
				87,984
				26,561,940
				28,902
32,711				32,970
355				400
10,877		586		41,224
355,465	126,917	1,142	18,687	28,262,161
				1,516
355,465	126,917	1,142	18,687	28,259,588
				1,057
\$ 355,465	\$ 126,917	\$ 1,142	\$ 18,687	\$ 28,262,161

COUNTY OF PLYMOUTH, IOWA  
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
Agency Funds  
Year Ended June 30, 2009

	Balance June 30, 2008	Addi- tions	Deduc- tions	Balance June 30, 2009
<b>County Recorder</b>				
<i>Assets</i>				
Cash and Pooled Investments	\$ 66,725	\$ 435,111	\$ 429,998	\$ 71,838
Accounts Receivable	343	259	343	259
Total Assets	<u>67,068</u>	<u>435,370</u>	<u>430,341</u>	<u>72,097</u>
<i>Liabilities</i>				
Due to Other Governments	67,068	435,370	430,341	72,097
Total Liabilities	<u>67,068</u>	<u>435,370</u>	<u>430,341</u>	<u>72,097</u>
<b>County Sheriff</b>				
<i>Assets</i>				
Cash and Pooled Investments	7,361	132,039	112,304	27,096
Total Assets	<u>7,361</u>	<u>132,039</u>	<u>112,304</u>	<u>27,096</u>
<i>Liabilities</i>				
Account Payable	809	692	809	692
Due to Other Governments	6,552	131,347	111,495	26,404
Total Liabilities	<u>7,361</u>	<u>132,039</u>	<u>112,304</u>	<u>27,096</u>
<b>Agricultural Extension Education</b>				
<i>Assets</i>				
Cash and Pooled Investments	2,184	182,307	182,328	2,163
Property Tax Receivable	270	448	270	448
Future Property Tax Receivable	183,002	189,000	183,002	189,000
Total Assets	<u>185,456</u>	<u>371,755</u>	<u>365,600</u>	<u>191,611</u>
<i>Liabilities</i>				
Due to Other Governments	185,456	371,755	365,600	191,611
Total Liabilities	<u>185,456</u>	<u>371,755</u>	<u>365,600</u>	<u>191,611</u>
<b>County Assessor</b>				
<i>Assets</i>				
Cash and Pooled Investments	150,585	646,140	690,715	106,010
Property Tax Receivable	919	1,469	919	1,469
Future Property Tax Receivable	621,071	620,149	621,071	620,149
Accrued Interest	100	45	100	45
Total Assets	<u>772,675</u>	<u>1,267,803</u>	<u>1,312,805</u>	<u>727,673</u>
<i>Liabilities</i>				
Accounts Payable	11,600	824	11,600	824
Compensated Absences	10,540	213	10,540	213
Due to Other Governments	750,535	1,266,766	1,290,665	726,636
Total Liabilities	<u>\$ 772,675</u>	<u>\$ 1,267,803</u>	<u>\$ 1,312,805</u>	<u>\$ 727,673</u>

(Continued)

COUNTY OF PLYMOUTH, IOWA  
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - (Continued)  
Agency Funds  
Year Ended June 30, 2009

	Balance June 30, 2008	Addi- tions	Deduc- tions	Balance June 30, 2009
<b>Schools</b>				
<b>Assets</b>				
Cash and Pooled Investments	\$ 170,624	\$ 13,755,398	\$ 13,759,528	\$ 166,494
Property Tax Receivable	20,993	36,189	20,993	36,189
Future Property Tax Receivable	13,801,337	14,757,599	13,801,337	14,757,599
Total Assets	<u>13,992,954</u>	<u>28,549,186</u>	<u>27,581,858</u>	<u>14,960,282</u>
<b>Liabilities</b>				
Due to Other Governments	13,992,954	28,549,186	27,581,858	14,960,282
Total Liabilities	<u>13,992,954</u>	<u>28,549,186</u>	<u>27,581,858</u>	<u>14,960,282</u>
<b>Area Schools</b>				
<b>Assets</b>				
Cash and Pooled Investments	8,956	833,522	832,594	9,884
Property Tax Receivable	1,240	2,103	1,240	2,103
Future Property Tax Receivable	853,249	886,249	853,249	886,249
Total Assets	<u>863,445</u>	<u>1,721,874</u>	<u>1,687,083</u>	<u>898,236</u>
<b>Liabilities</b>				
Due to Other Governments	863,445	1,721,874	1,687,083	898,236
Total Liabilities	<u>863,445</u>	<u>1,721,874</u>	<u>1,687,083</u>	<u>898,236</u>
<b>Corporations</b>				
<b>Assets</b>				
Cash and Pooled Investments	59,975	9,604,236	9,601,606	62,605
Property Tax Receivable	15,823	47,414	15,823	47,414
Future Property Tax Receivable	9,683,851	9,799,764	9,683,851	9,799,764
Total Assets	<u>9,759,649</u>	<u>19,451,414</u>	<u>19,301,280</u>	<u>9,909,783</u>
<b>Liabilities</b>				
Due to Other Governments	9,759,649	19,451,414	19,301,280	9,909,783
Total Liabilities	<u>9,759,649</u>	<u>19,451,414</u>	<u>19,301,280</u>	<u>9,909,783</u>
<b>Townships</b>				
<b>Assets</b>				
Cash and Pooled Investments	3,887	287,917	287,742	4,062
Property Tax Receivable	255	353	255	353
Future Property Tax Receivable	287,930	305,935	287,930	305,935
Total Assets	<u>292,072</u>	<u>594,205</u>	<u>575,927</u>	<u>310,350</u>
<b>Liabilities</b>				
Due to Other Governments	292,072	594,205	575,927	310,350
Total Liabilities	<u>\$ 292,072</u>	<u>\$ 594,205</u>	<u>\$ 575,927</u>	<u>\$ 310,350</u>

(Continued)

COUNTY OF PLYMOUTH, IOWA  
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - (Continued)  
Agency Funds  
Year Ended June 30, 2009

	Balance June 30, 2008	Addi- tions	Deduc- tions	Balance June 30, 2009
<b>City Special Assessments</b>				
<b>Assets</b>				
Cash and Pooled Investments	\$ 504	\$ 53,485	\$ 53,229	\$ 760
Assessments Receivable	39,876	28,902	39,876	28,902
Total Assets	<u>40,380</u>	<u>82,387</u>	<u>93,105</u>	<u>29,662</u>
<b>Liabilities</b>				
Due to Other Governments	40,380	82,387	93,105	29,662
Total Liabilities	<u>40,380</u>	<u>82,387</u>	<u>93,105</u>	<u>29,662</u>
<b>Auto License and Use Tax</b>				
<b>Assets</b>				
Cash and Pooled Investments	557,223	6,292,322	6,276,120	573,425
Total Assets	<u>557,223</u>	<u>6,292,322</u>	<u>6,276,120</u>	<u>573,425</u>
<b>Liabilities</b>				
Due to Other Governments	557,223	6,292,322	6,276,120	573,425
Total Liabilities	<u>557,223</u>	<u>6,292,322</u>	<u>6,276,120</u>	<u>573,425</u>
<b>Joint Disaster</b>				
<b>Assets</b>				
Cash and Pooled Investments	21,134	74,728	86,193	9,669
Due from Other Governments	-	29,761	-	29,761
Total Assets	<u>21,134</u>	<u>104,489</u>	<u>86,193</u>	<u>39,430</u>
<b>Liabilities</b>				
Compensated Absences	5,161	844	5,161	844
Due to Other Governments	15,973	103,645	81,032	38,586
Total Liabilities	<u>21,134</u>	<u>104,489</u>	<u>86,193</u>	<u>39,430</u>
<b>Brucellosis and Tuberculosis Eradication</b>				
<b>Assets</b>				
Cash and Pooled Investments	43	6,084	6,127	-
Property Tax Receivable	6	8	6	8
Future Property Tax	3,545	3,244	3,545	3,244
Total Assets	<u>3,594</u>	<u>9,336</u>	<u>9,678</u>	<u>3,252</u>
<b>Liabilities</b>				
Due to Other Governments	3,594	9,336	9,678	3,252
Total Liabilities	<u>\$ 3,594</u>	<u>\$ 9,336</u>	<u>\$ 9,678</u>	<u>\$ 3,252</u>

(Continued)

COUNTY OF PLYMOUTH, IOWA  
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - (Continued)  
Agency Funds  
Year Ended June 30, 2009

	Balance June 30, 2008	Addi- tions	Deduc- tions	Balance June 30, 2009
<b>Tax Redemption</b>				
<b>Assets</b>				
Cash and Pooled Investments	\$ 23,376	\$ 217,278	\$ 223,601	\$ 17,053
Total Assets	<u>23,376</u>	<u>217,278</u>	<u>223,601</u>	<u>17,053</u>
<b>Liabilities</b>				
Due to Other Governments	<u>23,376</u>	<u>217,278</u>	<u>223,601</u>	<u>17,053</u>
Total Liabilities	<u>23,376</u>	<u>217,278</u>	<u>223,601</u>	<u>17,053</u>
<b>E-911</b>				
<b>Assets</b>				
Cash and Pooled Investments	345,008	243,146	276,632	311,522
Accounts Receivable	34,029	32,711	34,029	32,711
Accrued Interest	2,948	355	2,948	355
Due from Other Governments	<u>10,846</u>	<u>10,877</u>	<u>10,846</u>	<u>10,877</u>
Total Assets	<u>392,831</u>	<u>287,089</u>	<u>324,455</u>	<u>355,465</u>
<b>Liabilities</b>				
Accounts Payable	67,400	-	67,400	-
Due to Other Governments	<u>325,431</u>	<u>287,089</u>	<u>257,055</u>	<u>355,465</u>
Total Liabilities	<u>392,831</u>	<u>287,089</u>	<u>324,455</u>	<u>355,465</u>
<b>Future Tax</b>				
<b>Assets</b>				
Cash and Pooled Investments	<u>89,371</u>	<u>131,250</u>	<u>93,704</u>	<u>126,917</u>
Total Assets	<u>89,371</u>	<u>131,250</u>	<u>93,704</u>	<u>126,917</u>
<b>Liabilities</b>				
Due to Other Governments	<u>89,371</u>	<u>131,250</u>	<u>93,704</u>	<u>126,917</u>
Total Liabilities	<u>89,371</u>	<u>131,250</u>	<u>93,704</u>	<u>126,917</u>
<b>Recorder's Electronic Fee Fund</b>				
<b>Assets</b>				
Cash	552	6,348	6,344	556
Due From Other Governments	<u>510</u>	<u>586</u>	<u>510</u>	<u>586</u>
Total Assets	<u>1,062</u>	<u>6,934</u>	<u>6,854</u>	<u>1,142</u>
<b>Liabilities</b>				
Due to Other Governments	<u>1,062</u>	<u>6,934</u>	<u>6,854</u>	<u>1,142</u>
Total Liabilities	<u>\$ 1,062</u>	<u>\$ 6,934</u>	<u>\$ 6,854</u>	<u>\$ 1,142</u>

(Continued)

COUNTY OF PLYMOUTH, IOWA  
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - (Continued)  
Agency Funds  
Year Ended June 30, 2009

	Balance July 1, 2008	Addi- tions	Deduc- tions	Balance June 30, 2009
<b>Drainage Districts</b>				
<i>Assets</i>				
Cash and Pooled Investments	\$ 18,680	\$ 7		\$ 18,687
Total Assets	<u>18,680</u>	<u>7</u>	<u>-</u>	<u>18,687</u>
<i>Liabilities</i>				
Due to Other Governments	18,680	7	-	18,687
Total Liabilities	<u>18,680</u>	<u>7</u>	<u>-</u>	<u>18,687</u>
 <b>Total All Agency Funds</b>				
<i>Assets</i>				
Cash and Pooled Investments	1,526,188	32,901,318	32,918,765	1,508,741
Receivables:				
Property Tax	39,506	87,984	39,506	87,984
Future Property Tax	25,433,985	26,561,940	25,433,985	26,561,940
Accounts	34,372	32,970	34,372	32,970
Assessments	39,876	28,902	39,876	28,902
Accrued Interest	3,048	400	3,048	400
Due from Other Governments	<u>11,356</u>	<u>41,224</u>	<u>11,356</u>	<u>41,224</u>
Total Assets	<u>27,088,331</u>	<u>59,654,738</u>	<u>58,480,908</u>	<u>28,262,161</u>
<i>Liabilities</i>				
Accounts Payable	79,809	1,516	79,809	1,516
Due to Other Governments	26,992,821	59,652,165	58,385,398	28,259,588
Compensated Absences	<u>15,701</u>	<u>1,057</u>	<u>15,701</u>	<u>1,057</u>
Total Liabilities	<u>\$ 27,088,331</u>	<u>\$ 59,654,738</u>	<u>\$ 58,480,908</u>	<u>\$ 28,262,161</u>

**COUNTY OF PLYMOUTH, IOWA**  
**Schedule of Revenues By Source and Expenditures By Function - All Governmental Funds**  
**For the Last Seven Years**

	Modified Accrual Basis of Accounting		
	2009	2008	2007
Revenue:			
Property and other county tax	\$ 8,308,557	\$ 7,029,638	\$ 7,038,897
Interest and penalty on property tax	52,946	66,489	44,774
Intergovernmental	7,024,793	7,434,084	7,907,071
Licenses and permits	30,113	18,916	20,915
Charges for services	1,022,824	943,907	900,890
Use of money and property	228,436	332,861	427,026
Miscellaneous	349,320	314,448	288,332
Total Revenue	17,016,989	16,140,343	16,627,905
Expenditures:			
Current operating:			
Public safety and legal services	2,734,558	2,658,332	2,486,684
Physical health and social services	328,814	264,204	255,798
Mental health	1,902,737	2,009,963	1,638,704
County environment and education	769,916	869,298	778,989
Roads and transportation	6,178,260	6,461,398	6,699,545
Government services to residents	674,508	602,053	618,032
Administration	2,142,876	1,974,168	2,138,733
Non-program services	84,500	20,000	110,352
Capital projects	1,083,632	831,956	1,172,569
Debt service	1,252,667	941,037	950,554
Total	\$ 17,152,468	\$ 16,632,409	\$ 16,849,960

Modified Accrual Basis of Accounting			
2006	2005	2004	2003
\$ 6,477,719	\$ 6,066,442	\$ 6,117,788	\$ 5,468,980
51,572	41,285	54,117	73,955
6,366,280	5,764,705	6,098,652	5,736,528
16,411	19,970	13,720	15,685
1,027,574	714,999	645,852	671,938
512,097	361,449	325,344	482,243
285,461	237,226	298,171	78,838
14,737,114	13,206,076	13,553,644	12,528,167
2,535,343	2,275,934	2,026,630	1,728,393
239,609	246,990	314,657	328,268
1,565,248	1,431,115	1,285,294	1,548,898
655,145	7,743,681	614,980	539,664
4,793,094	4,890,445	4,877,358	4,312,639
787,097	588,414	535,747	494,248
2,167,003	2,418,039	1,855,790	1,240,332
327,239	41,639	25,000	-
1,647,786	2,454,669	2,617,181	6,044,927
941,384	665,329	639,790	654,067
\$ 15,658,948	\$ 22,756,255	\$ 14,792,427	\$ 16,891,436

**PLYMOUTH COUNTY, IOWA**  
**Schedule of Expenditures of Federal Awards (Cash Basis)**  
**Year Ended June 30, 2009**

	CFDA Number	Agency or Pass-Through Number	Program Disburse- ments
<b>Direct:</b>			
DEPARTMENT OF AGRICULTURE			
Natural Resource Conservation Service:			
Soil and Water Conservation	10.902	LC-061450	\$ 5,740
		LC-280904	7,100
		LC-281109	15,300
		LC-041908	5,600
Watershed Protection and Flood Prevention	10.904	LC-041908	49,445
			<u>83,185</u>
<b>Indirect:</b>			
DEPARTMENT OF AGRICULTURE			
Iowa Department of Human Services:			
Human Services Administrative Reimbursements:			
State Administrative Matching Grants for			
Food Stamp Program	10.561		14,607
DEPARTMENT OF JUSTICE			
Iowa Department of Justice:			
Crime Victim Assistance	16.575		22,092
DEPARTMENT OF TRANSPORTATION			
Iowa Department of Transportation:			
Highway Planning and Construction	20.205	BROS-C075(114)-8J	143,710
		BROS-C075(119)-8J	169,578
			<u>313,288 *</u>
Iowa Department of Public Safety:			
Safety Incentives to Prevent Operation of Motor			
Alcohol Traffic Safety and Drunk Driving Prevention	20.601		4,500
Safety Belt Performance Grants	20.609		839
			<u>5,339</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Iowa Department of Human Services:			
Human Services Administrative Reimbursements:			
Temporary Assistance for Needy Families	93.558		13,500
Refugee and Entrant Assistance - State			
Administered Programs	93.566		22
Child Care Mandatory and Matching Funds			
of the Child Care and Development Fund	93.596		3,850
Foster Care - Title IV-E	93.658		8,105
Adoption Assistance	93.659		1,965
State Children's Insurance Program	93.767		111
Medical Assistance Program	93.778		17,743
Social Services Block Grant	93.667		8,848
Child Support Enforcement	93.563		196
Social Services Block Grant	93.667		65,840
			<u>120,180</u>

(Continued)

**PLYMOUTH COUNTY, IOWA**  
**Schedule of Expenditures of Federal Awards (Cash Basis) - (Continued)**  
**Year Ended June 30, 2009**

DEPARTMENT OF HOMELAND SECURITY

Iowa Department of Public Defense:

Emergency Management Performance Grants	97.042	35,229
Pre-Disaster Mitigation	97.047	4,500
		39,729

Total Expenditures of Federal Awards	\$ 598,420
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\* Total disbursements from this program exceeds 50% of the total federal awards and is considered a major program.

**Basis of Presentation** - The accompanying schedule of expenditures of federal awards includes the federal grant activity of Plymouth County and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**PLYMOUTH COUNTY**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2009**

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**Part I: Summary of the Independent Auditor's Results**

- (a) Unqualified opinions were issued on the financial statements.
- (b) A significant deficiency in internal control over financial reporting was disclosed by the audit of the financial statements, and is considered to be a material weakness.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) A significant deficiency in internal control over major programs was disclosed by the audit of the financial statements, which was considered to be a material weakness.
- (e) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit disclosed a finding which was required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) The major programs were as follows:
  - CFDA Number 20.205 – Highway Planning and Construction
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000
- (i) Plymouth County did not qualify as a low-risk auditee

**Part II: Findings Related to the Financial Statements**

**SIGNIFICANT DEFICIENCIES**

**II-A-09: Financial Reporting**

Observation – During the audit, we identified material amounts of receivables, payables and capital asset additions not recorded in the County's financial statements. Adjustments were subsequently made by the County to properly include these amounts in the financial statements.

Recommendation – The County should implement procedures to ensure all receivables, payables and capital asset additions are identified and included in the County's financial statements.

Response – We will double check these in the future to avoid missing any receivables, payables or capital asset transactions.

Conclusion – Response accepted

**PLYMOUTH COUNTY**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2009**

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**Instances of Non Compliance**

No matters were reported

There were no prior year audit findings

**Part III: Findings and Questioned Costs For Federal Awards**

**Instances of Non Compliance**

No matters were reported

**SIGNIFICANT DEFICIENCIES**

**III-A-09    Financial Reporting/Grant Administration**

Observation – During the audit, we identified material amounts of receivables and payables not recorded in the County's financial statements as well as adjustments required for the Schedule of Expenditures of Federal Awards. Adjustments were subsequently made by the County to properly include all amounts in the Schedule Expenditures of Federal Awards.

Recommendation – The County should implement procedures to ensure all receivables and payables are identified and included in the County's financial statements and that the Schedule of Expenditures of Federal Awards is properly completed.

Response – The County understands the nature of the weakness and will double check these items in the future to avoid missing any receivables, payables or adjustments to the Schedule of Expenditures of Federal Awards.

Conclusion – Response accepted.

**Part IV: Other Findings Related to Required Statutory Reporting**

**IV-A-09    Certified Budget** – Disbursements for the year ended June 30, 2009 exceeded the amounts budgeted in non-program services function.

Recommendation – The budget should have been amended in accordance with Chapter 331.435 of the Code of Iowa before disbursements were allowed to exceed the budget.

Response – We will amend the budget when required in the future.

Conclusion – Response accepted.

**IV-B-09    Questionable Expenses** – We noted no expenditures that we believe may constitute unlawful expenditures from public funds as defined in an Attorney General's opinion dated April 25, 1979.

**IV-C-09    Travel Expenses** – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

**PLYMOUTH COUNTY**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2009**

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**Part IV: Other Findings Related to Required Statutory Reporting (Continued)**

**IV-D-09** Business Transactions – There were no business transactions between the County and County officials and/or employees during the year ended June 30, 2009.

**IV-E-09** Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. Township clerks are included in the blanket bond purchased by the County. Chapter 64.12 of the Code of Iowa requires that all bonds required of the township clerk be furnished and paid for by the township.

Recommendation – The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations. The County should seek reimbursement for the amount paid for the bond premiums for township clerks.

Response – We feel the amount each township owes is minimal and therefore, not worth the time it would take to figure and bill each township.

Conclusion – Response accepted.

**IV-F-09** County Extension Office – The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by an extension council separate and distinct from the County operations and, consequently, is not included in these financial statements. Disbursements during the year ended June 30, 2009 for the County Extension Office did not exceed the amount budgeted.

**IV-G-09** Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).

**IV-H-09** Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapter 12b and 12c of the Code of Iowa and the County's investment policy were noted.

**PLYMOUTH COUNTY**  
**Schedule of Prior Year Findings and Questioned Costs**  
**Year Ended June 30, 2009**

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There were no prior year findings.



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Supervisors  
Plymouth County, Iowa:

*Compliance:*

We have audited the compliance of PLYMOUTH COUNTY, IOWA with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Plymouth County's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Plymouth County's management. Our responsibility is to express an opinion on Plymouth County's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Plymouth County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Plymouth County's compliance with those requirements.

In our opinion, Plymouth County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

*Internal Control Over Compliance:*

The management of Plymouth County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Plymouth County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on effectiveness of Plymouth County's internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely effects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item III-A-09 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider items III-A-09 to be a material weakness.

Plymouth County' response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Plymouth County's response and, accordingly, we express no opinion on it.

This report, a public record by law, is intended solely for the information and use of the board of supervisors, employees and citizens of Plymouth County and other parties to whom Plymouth County may report including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than those specified parties.

*Williams + Company, P.C.*  
Certified Public Accountants

Le Mars, Iowa  
February 22, 2010



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors  
Plymouth County, Iowa

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of PLYMOUTH COUNTY, IOWA as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements listed in the table of contents and have issued our report thereon dated February 22, 2010. We conducted our audit in accordance with U.S generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

***Compliance and Other Matters:***

As part of obtaining reasonable assurance about whether Plymouth County, Iowa's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2009 are based exclusively on knowledge obtained from procedures performed during our audit of the basic financial statements of the County. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

***Internal Control Over Financial Reporting:***

In planning and performing our audit, we considered Plymouth County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Plymouth County, Iowa's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Plymouth County, Iowa's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency and material weakness.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to

prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely effects Plymouth County, Iowa's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood a misstatement of Plymouth County, Iowa's financial statements that is more than inconsequential will not be prevented or detected by Plymouth County, Iowa's internal control. We consider the deficiency in internal control described in the accompanying Schedule of Findings and Questioned Costs as item II-A-09 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood a material misstatement of the financial statements will not be prevented or detected by Plymouth County, Iowa's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe the significant deficiency described above is a material weakness.

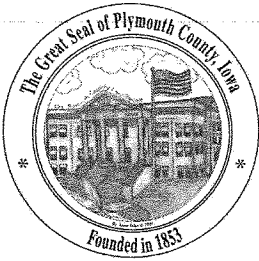
Plymouth County's, Iowa's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Plymouth County, Iowa's response and, accordingly, we express no opinion on it.

This report, a public record by law, is intended solely for the information and use of the officials, employees, and citizens of Plymouth County and other parties to whom Plymouth County may report including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than those specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Plymouth County during the course of our audit. Should you have any questions concerning any of the above matters we would be pleased to discuss them with you at your convenience.

*Williams + Company, P.C.*  
Certified Public Accountants

Le Mars, Iowa  
February 22, 2010



# Plymouth County Auditor

Stacey Feldman

Plymouth County Courthouse

215 4<sup>th</sup> Ave. SE

Le Mars, IA 51031

Phone: 712-546-6100 Fax: 712-546-5784

sfeldman@co.plymouth.ia.us

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## Schedule of Findings and Questioned Costs Corrective Action Plan June 30, 2009

### Department of Transportation

Plymouth County, respectfully submits the following corrective action plan for the year ended June 30, 2009.

The audit was performed by Williams & Company, P.C., P.O. Box 1010, Le Mars, Iowa, for the fiscal year ended June 30, 2009.

The finding from the June 30, 2009 Schedule of Findings and Questioned Costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

### SIGNIFICANT DEFICIENCY:

#### III-A-09 - Financial Reporting/Grant Administration

Observation – During the audit we identified material amounts of receivables and payables not recorded in the County's financial statements as well as adjustments required for the Schedule of Expenditures of Federal Awards. Adjustments were subsequently made by the County to properly include all amounts in the Schedule Expenditures of Federal Awards.

Recommendation – The County should implement procedures to ensure all receivables and payables are identified and included in the County's financial statements and that the Schedule of Expenditures of Federal Awards is properly completed.

Response – The County understands the nature of the weakness and will double check these items in the future to avoid missing any receivables, payables or adjustments to the Schedule of Expenditures of Federal Awards.

If the Department of Transportation has questions regarding this plan, please call Stacy Feldman at 712-546-6100.

Sincerely yours,

PLYMOUTH COUNTY

Stacey Feldman, Auditor